Statement

Disinvestment likely to be completed during the current financial Year

Sl. No.	Name of Company	State (Registered Office)
1.	NEPA Limited	Madhya Pradesh
2.	Engineers India Limited (EIL)	New Delhi
3.	Instrumentation Control Valves Limited (ICVL)	Kerala
4.	Balmer Lawire & Company Limited (BL)	West Bengal
5.	Tungabhadra Steel Products Limitd (TSPL)	Karnataka
6.	Engineering Projects (India) Limited (EPIL)	Jharkhand
7.	National Fertilizers Limited (NFL)	New Delhi
8.	State Trading Corporation (STC)	New Delhi
9.	Sponge Iron India Limited (SIIL)	Andhra Pradesh
10.	Manganese Ore India Limited (MOIL)	Maharashtra
11.	National Aluminium Company Limited (NALCO)	Orissa
12.	Shipping Corporation of India Limited	(SCI) Maharashtra
	India Tourism Development Corporation (ITDC)	New Delhi
13.	Jaipur Ashok	
14.	Jammu Ashok	
15.	Pataliputra Ashok &	
16.	Kalinga Ashok Hotel Corporation of India Limited (HCI)	
17.	Centaur Airport, Delhi including Chefair Delhi	
18.	Chefair Mumbai.	
19.	Hindustan Organic Chemicals Limited (HOCL)	Maharashtra

Valuation method and appointment of asset valuers

*14. SHRI C.O. POULOSE: Will the Minister of DISINVESTMENT be pleased to state:

(a) the details of the valuation methods and asset valuers selected by Government for the purpose of valuation during the last three years and Government's public assets (BALCO, VSNL, IBP)sell out programme;

(b) whether it is a fact that Government are selecting merchant banks as asset valuer;

(c) if so, the reasons therefor; and

(d) if so, the details and norms adopted by Government for the selection process, both the valuation method and asset valuer?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Based on the recommendation of the Disinvestment Commission and in keeping with the best market practices, the following four methodologies are used for the valuation of PSUs.

1. Discounted Cash Flow Method

2. Balance Sheet Method

3. Transaction Multiple Method

4. Asset Valuation Method

While the first three methodologies are generally used for valuation of a going concern, the last methodology is more relevant for evaluation of assets in case of liquidation of a company.

An Asset Valuer is appointed for assessing the value of land and properties of the public sector undertakings proposed to be disinvested through a process of limited competitive bidding. M/s P.V. Rao was appointed as Asset Valuer for asset valuation of BALCO. M/s A.P. Saxena & Asso., N.K. Chakravorty, Godbole & Asso., M.M. Kulkarni and Meticulous Constulatants were appointed for asset valuation of IBP Co. Ltd. M/s Pricewaterhouse Cooppers Ltd. and Dalal Consultant were appointed as Asset Valuers for asset valuation of VSNL.

(b) No, Sir.

(c) Does not arise in view of the reply to (b) above.

(d) An Asset Valuer is appointed through limited competitive bidding from a panel recommended by the Advisor, Evaluation of the bids is done in two stages. In the first stage, the technical bids are scrutinized by an Inter-Ministerial Committee and evaluated on the basis of pre-determined criteria like the sectoral experience, industrial understanding, structure of the team and expected time frame for completion etc. On the basis of this evaluation, bids receiving more than the pre-determined qualifying marks are short listed and the financial bids of the short listed bidders are opened.

the lowest bidder is awarded the work. In so far as selection of valuation method is conerned, all four methods mentioned in reply to paragraph (a) above are used to evaluate the company and for determination of the reserve price.

Sale of Balmer Lawrie & Co. Ltd.

†15. SHRI JANESHWAR MISHRA: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether it is a fact that no consensus has emerged among different Ministries for the sale of Balmer Lawrie & Co. Ltd.;

(b) if so, the details thereof;

(c) whether it is also a fact that a state of confrontation between Ministries of Petroleum, Heavy Industries and Finance have erupted in this regard; and

(d) if so, the details thereof?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) and (b) Disinvestment of Public Sector Undertakings (PSUs) is a continuous process. Government keeps considering proposals for disinvestment in various PSUs from time to time through inter-Ministerial consultations. After considering all relevant viewpoints, Government takes a final decision about disinvesting a PSU in line with the approved policy. Similarly, in the case of Balmer Lawrie & Co. Ltd., also, Government has decided to disinvest 61.8% equity held by Balmer Lawrie Investments & Co. Ltd. The process of disinvestment is currently on.

(c) No. Sir.

(d) Does not arise.

Evaluation of Amarkantak, Kavardh and Manipat Mines

†16. SHRI NANDI YELLAIAH: Will the Minister of DISINVESTMENT be pleased to state:

(a) the reasons for not providing information regarding procedure of evaluation and outcome of the evaluation of Amarkantak, Kavardh and Manipat mines of BALCO and captive power plant of the company and

†Original notice of the question was received in Hindi.